GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:4546
ANSWERED ON:24.04.2008
MERGER OF DA WITH BASIC PAY
Lagadapati Shri Rajagopal

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether second Pay Revision Commission for CPSUs has recommended for merging of 50% DA with basic pay;

(b) if so, the details of the recommendations;

(c) whether the benefit of 50% merger of DA would be extended to only profit making CPSUs;

(d) if so, the details and the reasons behind depriving the benefit to other CPSUs; and

(e) the budgetary support extended by the Government as a consequence of merger of 50%.of DA?

Answer

THE MINISTER OF STATE FOR HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI RAGHUNATH JHA)

(a) Yes, Sir.

(b) The Second Pay Revision Committee recommended merger of 50% of D.A. with basic pay as on 1.1.2007 be extended to the Central Public Sector Executives. The Committee also recommended that the merger would, however, be made applicable to those CPSEs which are having paying capacity and can absorb the financial liability on account of merger from their own resources.

(c)to (e) The Government has extended this benefit to employees of Central Public Sector Enterprises (CPSEs) following 1997 IDA pattern of pay scales that are not loss making and are in a position to absorb the additional expenditure on account of said merger from their own resources without any budgetary support from the Government and also to employees in the IDA pattern pay scales in the Food Corporation of India.